monitoring agent 300 needs to cooperate with another foreign network monitoring agent 300 or similar system to negotiate for a new codec.

IN THE CLAIMS:

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Please amend the claims as indicated below:

- 1. (Amended) A method for dynamically adjusting the bandwidth utilized by a plurality of applications, each of said applications communicating with an endpoint over a connection in a network, said method comprising the steps of:
- selecting at least one encoding scheme for at least one of said connections during a call set-up phase based upon an encoding requirement of said application associated with said at least one connection, each of said applications having a different encoding requirement;

monitoring one or more conditions on said network during said at least one connection; and

- selecting a new encoding scheme for said at least one connection if one or more conditions have occurred.
- 2. (Amended) The method of claim 1, wherein said one or more conditions include a predefined network traffic level.
- 3. The method of claim 2, wherein an encoding standard that provides a lower degree of compression is selected at times of lighter network traffic.
- 4. The method of claim 2, wherein an encoding standard that provides a higher degree of compression is selected as network traffic increases.
- 5. (Amended) The method of claim 1, wherein said one or more conditions include a predefined network error characteristic and an encoding scheme is selected that performs well under the observed network error characteristic.

6. (Amended) The method of claim 1, wherein said one or more conditions include a predefined time period.

- 7. The method of claim 1, wherein an encoding scheme is independently selected for each half-circuit associated with said at least one of connections.
 - 8. The method of claim 1, further comprising the step of notifying at least one of the devices associated with a connection of said change in the encoding scheme.
- 10 9. The method of claim 8, further comprising the step of inserting a notification in a packet header indicating that subsequent packets will be encoded with a different specified encoding algorithm.
- 10. (Amended) A system for dynamically adjusting the bandwidth utilized by a plurality of applications, each of said applications communicating with an endpoint over a connection in a network, said system comprising:

a memory for storing computer-readable code; and

a processor operatively coupled to said memory, said processor configured to:

select at least one encoding scheme for at least one of said connections during a call setup phase based upon an encoding requirement of said application associated with said at least one connection, each of said applications having a different encoding requirement;

monitor one or more conditions on said network during said at least one connection; and select a new encoding scheme for said at least one connection if one or more conditions have occurred.

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- 11. (Amended) The system of claim 10, wherein said one or more conditions include a predefined network traffic level.
- 12. The system of claim 11, wherein an encoding standard that provides a lower degree of compression is selected at times of lighter network traffic.

	13.	The system of claim 11, wherein an encoding standard that provides a higher degree of	
	compression is selected as network traffic increases.		
	14.	(Amended) The system of claim 10, wherein said one or more conditions include a	
5	predefined n	predefined network error characteristic and an encoding scheme is selected that performs well under the	
)5	observed ne	twork error characteristic.	
	15.	(Amended) The system of claim 10, wherein said one or more conditions include a	
	predefined time period.		
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	16.	The system of claim 10, wherein an encoding scheme is independently selected for each	
	half-circuit associated with said connection.		
	17.	The system of claim 10, wherein said processor is further configured to notify at least	
15	one of the devices associated with a connection of said change in the encoding scheme.		
	18.	The system of claim 17, wherein said processor is further configured to insert a	
	notification in a packet header indicating that subsequent packets will be encoded with a different		
٠	specified encoding algorithm.		
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U 25	19.	(Amended) A method for dynamically adjusting the bandwidth utilized by a plurality of	
	applications, each of said applications communicating with an endpoint over a connection in a network,		
	said method comprising the steps of:		
		receiving an encoding scheme indication for at least one of said connections during a call	
	set-up phase based upon an encoding requirement of said application associated with said at least one		
	connection, each of said applications having a different encoding requirement;		
		monitoring for an indication of a new encoding scheme for said at least one connection;	
	and		
		decoding subsequent data with said new encoding scheme if said monitoring step detects	
30	a change in	said encoding scheme.	

- 20. The method of claim 19, wherein said indication is received if a network traffic level exceeds a predefined threshold.
- The method of claim 20, wherein an encoding standard that provides a lower degree of compression is selected at times of lighter network traffic.
 - 22. The method of claim 20, wherein an encoding standard that provides a higher degree of compression is selected as network traffic increases.
- The method of claim 19, wherein said indication is received if a predefined network error characteristic is detected and an encoding scheme is selected that performs well under the observed network error characteristic.
 - 24. The method of claim 19, wherein said indication is received for a predefined time period.
 - 25. The method of claim 19, wherein an encoding scheme is independently selected for each half-circuit associated with said connection.
- 26. The method of claim 25, wherein said monitoring step evaluates a packet header for a
 20 notification indicating that subsequent packets will be encoded with a different specified encoding algorithm.
 - 27. (Amended) A system for dynamically adjusting the bandwidth utilized by a plurality of applications, each of said applications communicating with an endpoint over a connection in a network, said system comprising:
 - a memory for storing computer-readable code; and

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- a processor operatively coupled to said memory, said processor configured to:
- receive an encoding scheme indication for at least one of said connections during a call set-up phase based upon an encoding requirement of said application associated with said at least one connection, each of said applications having a different encoding requirement;

monitor for an indication of a new encoding scheme for said at least one of connections;

and

decode subsequent data with said new encoding scheme if said monitoring step detects a change in said encoding scheme.

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- 28. The system of claim 27, wherein said indication is received if a network traffic level exceeds a predefined threshold.
- 29. The system of claim 28, wherein an encoding standard that provides a lower degree of compression is selected at times of lighter network traffic.
 - 30. The system of claim 28, wherein an encoding standard that provides a higher degree of compression is selected as network traffic increases.
- The system of claim 27, wherein said indication is received if a predefined network error characteristic is detected.
 - 32. The system of claim 27, wherein said indication is received for a predefined time period.
- 20 33. The system of claim 27, wherein an encoding scheme is independently selected for each half-circuit associated with said connection.
 - 34. The system of claim 27, wherein said monitoring step evaluates a packet header for a notification indicating that subsequent packets will be encoded with a different specified encoding algorithm.
 - 35. (Amended) A method for encoding a connection between a calling party and an application in a network, said system comprising the steps of:
 - establishing said connection, wherein said connection has a plurality of call segments between said calling party and said application, each of said call segments having a different encoding requirement; and